

Top Secret

BOLIVIA

Unstable conditions in Bolivia may force the Natusch regime to reexamine its hardline position.

The security situation throughout the country remains tense. In La Paz, government forces yesterday fired on workers and students attempting to rebuild street barricades dismantled Sunday by military units. Some university students reportedly have been issued automatic weapons by the Leftist Revolutionary Movement. The opposition has used disruptive tactics but has avoided a head-on clash with armored units now patrolling La Paz. Antiregime sentiment seems to be strongest in the poorer neighborhoods where military units have not ventured.

The general strike has shut down Cochabamba and Santa Cruz, and Communist-controlled unions have set up roadblocks. The volatile mining areas south of La Paz are tense, and miners have vowed to resist efforts to force them back to work. An outbreak of violence there would severely test the regime's ability to maintain control.

The persistence of civilian opposition is continuing to undermine regime efforts to achieve recognition from its neighbors. Venezuelan President Herrera has canceled a visit to La Paz, and Caracas has informed the new military rulers that it will not grant further financial credits. Other Latin American creditors may follow suit, further jeopardizing Natusch's hopes of forestalling a financial crisis in coming weeks.

While avoiding public comment, other members of the Andean Pact have deplored the coup and are working to establish a unified position. Peru, the only other Pact country still under military rule, is especially concerned that the situation in Bolivia might set back the process of democratization now under way in Lima. Andean foreign ministers are scheduled to meet in Lima Saturday and undoubtedly will focus on the Bolivian problem.

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Southern Cone countries have generally ignored the coup. Chile, however, appears to be gloating over the trauma of its neighbor. Chile was recently embarrassed by Bolivia's claim to a sea outlet highlighted at the OAS General Assembly. Indirectly answering critics of its longstanding military government, Chilean newspapers have asserted that the coup in Bolivia is the result of a too-hasty attempt to return to democracy. [REDACTED]

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